

Rule No.: 941 - 7401 - 04000

Agency: Mississippi Department of Transportation

Agency Effective Date:

Agency Issued Date: May 15, 2005

Secretary of State Authority Date:

Supercedes Rule: 941-7401-04000

Division: Contract Administration

Rule Title: Statements and Payrolls

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The person to be contacted regarding the Proposed Rule is: Facility and Records Management Director

Name of person originating the proposed rule: Neal Dougherty

Name of supervisor or person who approved the proposed rule: B. B. House, P. E.

**Purpose:**

Establish the rules to insure compliance with Contract Labor Provisions Relative to the prompt submission of Labor Payrolls on construction contracts by prime and subcontractors.

**Summary:**

The rule conforms to Section 110 of the *Mississippi Standard Specifications for Road and Bridge Construction*, Title 29 of the *Code of Federal Regulations*, Title 23 of the *United States Code*, the *Davis-Bacon Act* and the *U.S. Department of Labor and The Fair Labor Standards Manual to the Congressional Accountability Act*. Forms mentioned may be obtained by contacting Contract Administration.

The full text of the proposed rule is:

All cites herein refer to the most current version of the cited document.

- 1) **Predetermination of prevailing wage rates** – Each contractor and subcontractor must submit 2 copies of form CAD-880 to the Project Engineer and County Engineer weekly. One of such will be forwarded to the Compliance Officer. Such information is utilized to determine future wage rates.
- 2) **Weekly Labor Payrolls and Weekly Summary of Wage Rates** – Once work has begun on a contract, the contractor and/or subcontractor will be required to submit two copies of his/her weekly payroll, forms CAD-880 and CAD-881 (which can be obtained from Contract Administration), on all Federal-Aid projects and two copies of his/her weekly payroll, form CAD-880, on all 100% State Funded projects. If no work is completed, the contractor/subcontractor will be required to submit a negative (NO WORK) statement for the period. When work is completed and a weekly payroll is FINAL, such must be noted thereon. The Project Engineer has one week to check the payrolls and forward such to the Compliance Officer. The warrant will not be issued to the Contractor for payment of the monthly estimate if the required payroll reports have not been received.
- 3) **Detection of Violation and the withholding of Unpaid Wages and Liquidated Damages-** The rule conforms to the *Work Hours Act of 1962*. Violations will be computed and recorded on form CAD-882 by the Compliance Officer. A copy of such will be forwarded to the Contractor to serve as notification of the violation. Action required to rectify the violation will be shown on this copy. The violation may not be cleared until the Compliance Officer has received a supplemental payroll, proof of restitution signed by the employee, letter of explanation from the contractor and a

final determination by the Federal Highway Administration and/or the Secretary of Labor.

- 4) **Labor Regulations (Employee Interviews)** – the rule complies with *Federal Highway Administration Regulations* requiring labor compliance interviews of employees of contractors and subcontractors on all Federal-Aid projects. Form CAD-440 will be the reporting instrument in this instance.
- 5) **Employee Information Requirements** – the rule complies with *U.S. Department of Labor Regulations*. Contractors and Subcontractors are required to display information on Federal-Aid projects. Posters PR-1022, FHWA 1495, EEO Poster and Job & Health Protection. Wage rates as published by the Department of Labor, the company EEO policy statement, a letter stating the companies EEO Officer, MBE Liaison Officer, and Safety Officer, a letter to the Project Engineer designating a responsible person and alternate along with their telephone numbers to implement the traffic control plan, Job Superintendent information, 404 permit (when required), and the name and telephone numbers of physicians, hospitals, and/or ambulances must be posted.
- 6) **Non-Discrimination Construction Contracts** – the rule conforms to Title 49 *Code of Federal Regulations*, Title VI of the *Civil Rights Act of 1964* and Title 42 *U.S. Code*.
- 7) **Annual Equal Opportunity Reports by Contractors and Subcontractors on Federal-Aid Projects** – the rule conforms to the *Federal Highway Administration Regulations*. The regulations require each prime contractor and subcontractor who holds a subcontract of \$10,000 or more to submit annual reports on Form FHWA-1391. The Compliance Officer will submit the FHWA-1391 to the prime contractor each year. The prime contractor will furnish such to the subcontractors as needed.
- 8) **On-the-Job Training Programs** – the rule conforms to the *Federal Highway Administration Regulations*, Special Provisions No. 907-906-2 of the *Federal Transmittal No. 147 dated June 26, 1975*. When trainees are required and prior to commencing construction, the contractor shall submit to the Compliance Officer /Contract Administration Division for approval, the selected classification and the approximate start date of each trainee. When each trainee is assigned to a project, the contractor will immediately submit Form FHWA-320 in duplicate directly to the Compliance Officer/Contract Administration Division. Notification will be forwarded to the Project Engineer and daily statements regarding the trainee will be maintained in the project diary. The contractor will complete form CAD-685 weekly and submit such to the Project Engineer and the trainee will be interviewed at least once during his/her training program using form CAD-440 on Federal-Aid projects. Full and proper documentation of the contractors' activity is very important because training represents a pay item under the contract.

Electronic links to all materials referenced (manuals, laws, regulations, etc.) relative to the Administrative Procedures Act Rules for the Contract Administration Division may be accessed via the department's internet website as follows:

**<http://www.gomdot.com>**